IMPACT OF EMPLOYEE EXPERIENCE ON EMPLOYEE PERFORMANCE AND RETENTION: A CROSS GENERATIONAL STUDY

Synopsis

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SECTION-I: INTRODUCTION

During the challenging times, many employees received support from their respective organization, a significant number of employees encountered significant challenges.

In the wake of developments since 2020, it has become apparent to those in leadership roles that preconceptions surrounding the organization and nature of work have become outdated. The COVID-19 pandemic has caused substantial disruption, with employees feeling the impact of these upheavals. While some corporations are considering hybrid work models, there remain several organizations that expect employees to return to the office completely, leading to a significant disparity between employee concerns and employer expectations.

Remaking the mission while ensuring the satisfaction of all stakeholders presents a formidable task for leaders. They have a unique opportunity to engage their employees on critical issues, both present and future, by listening to their feedback. Throughout the pandemic, McKinsey (2020) conducted surveys of nearly 1,000 individuals to evaluate their opinions on work and its transformation. While each participant's experience is unique, common themes have surfaced regarding their career paths.

This report highlights that employees seek trust, social cohesion, and purpose, as well as recognition for their contributions and genuine collaboration with their team members. Clarity in responsibilities and opportunities for growth are also crucial considerations. It is anticipated that their personal sense of purpose should align with that of the organization. An appropriate physical and digital environment that promotes flexibility and work-life balance is also essential. Organizations are grappling with a surge of employees who are fatigued, stressed, and questioning the meaning of work, which could result in attrition. At this critical juncture, companies can enhance their employee experience (EX) by taking into account these needs and emotions.

Providing superior EX entails more than just lip service; it requires a fundamental shift away from a conventional top-down approach to one rooted in design thinking principles. This transformation empowers companies to prioritize their employees by exploring and responding to how they perceive their employee journeys, and then delivering customized interventions that focus on critical moments to optimize satisfaction, performance, and productivity. In doing so, companies can become more inspiring, collaborative, and focused on providing an experience that is meaningful and enjoyable.

Research indicates that individuals who report a positive employee experience have 16 times the level of engagement of those who report a negative experience and are eight times more likely to want to remain with a company (McKinsey Employee Survey 2020).

This proposed research aims to examine how employee experience affects their retention and inspires their performance, leading to the creation of value and sustaining a competitive edge in the process.

A survey by Gartner (2019) revealed that only 13% of employees were fully satisfied with their experience. Significant investments were made by the organisations to improve employee experience, like on-boarding investments and redesigning the workplace which results improved employee satisfaction and employee engagement. 73% of HR leaders believed that HR function consists of designing and delivering employee experience.

As per employee experience trends report by Zendesk (2022), organisation are supposed to change and transform workplace technology so they will be able to support hybrid work, reduce the cost and improve the employee productivity. Similarly, BambooHR (2020), a survey of small business owners & HR managers stated that delivering a quality employee experience means empowering people, creating shared values and aligning motivations in an organisation.

1.1. The Evolution of the Concept of Employee experience

In the current business landscape, there is a continuous evolution and transformation of organizational priorities, with a shift towards enhancing the human experience within organizations. This shift is gaining momentum and is a welcome change. In the past, businesses primarily focused on utility, which made sense at the time and was the norm for most organizations.

The relationship between employers and employees was relatively straightforward. Employers had job vacancies, and individuals had financial obligations, such as bills to pay and material possessions to acquire, as well as specific skills that could be utilized, leading them to pursue available job openings. Consequently, work was primarily viewed as utilitarian, with emphasis on the essential tools and resources that employers could provide to their employees to enable them to carry out their job responsibilities.

After the utilitarian phase, the workplace witnessed the onset of the productivity era, which focused on developing methodologies that aimed to enhance employee performance. During this phase, managers

carefully measured and analysed employee work processes to reduce completion times by even a few seconds. The era emphasized the significance of producing high output and productivity, with a focus on using standardized and repeatable processes like the factory assembly line. Managers acted as coaches, implementing strategies to improve employee performance, similar to athletes aiming for better results and performance.

Following that, the engagement era emerged, marking a significant change in the business world's paradigm. This approach acknowledged the significance of giving priority to the employees' well-being and contentment, instead of solely concentrating on deriving value from them. This innovative approach shifted the focus to understand the employees' values and priorities and identifying ways to benefit them, which was a marked deviation from the previous era of productivity. This approach has been predominant for the last two or three decades.

While some people argue that employee engagement should be replaced by employee experience, in reality, both these concepts work together- engagement providing short-term benefits and initiatives and experience serving as a driver for long-term cultural changes and organizational redesign.

In modern times, employee experience has taken centre stage in organizational priorities. For employees working within an organization, their experience is the actuality of their work environment. From the organization's point of view, employee experience encompasses the environment created and crafted for employees or what the organization deems it should be like. In simple terms, employee experience involves establishing an organizational culture that inspires employees to turn up and perform their best. This typically falls under three categories: culture, technology, and physical space.

It is imperative for researchers to comprehend that the creation of employee experiences is unfeasible unless the organization possesses an extensive understanding of its employees. Just as travel agents invest a substantial amount of time in comprehending their clients' needs to craft a remarkable trip, organizations must genuinely acquaint themselves with their workforce. This necessitates the application of people analytics and requires leaders who possess the capability and willingness to establish individual and humane connections with their employees.

HR professionals have come a long way from the days of prioritizing utility and productivity alone. The employee experience enables them to redirect their focus towards employees and chart a course towards

a brighter future for their organizations.

1.2. The Concept of Employee Experience

The employee experience comprises of the various interactions that an employee has with people, systems, policies, physical and virtual workspaces. Both the minor details of daily work and the occasional events and transitions hold significance. The employee experience is subjective in nature: it encapsulates the comprehensive effect of the job and the organization on the individual, including how employees feel, perceive their potential and abilities, and how it affects their overall well-being. In simpler terms, employee experience is an employee's perception of their journey through all the contact points at a specific company, starting from job candidacy to the exit from the organization.

1.3. Components of the Employee Experience

As previously discussed, employee experience refers to an organization's endeavour to establish an environment that motivates employees to attend work willingly rather than out of obligation. This shift from a "need-based" approach to a "want-based" approach has become a fundamental transformation that organizations worldwide are adopting. As a result, we are witnessing a significant investment in various initiatives such as refurbished office spaces, well-being programs, parental leave, nutritious foods, and flexible work schedules, among others. While several factors contribute to creating employee experience, every organization, regardless of its size, location, or industry, can concentrate on three primary areas: the physical environment, the cultural environment, and the technological environment (Morgan 2017)

Another component of employee experience that is often discussed by authors and researchers is emotional well-being. This component recognizes the importance of mental health and emotional well-being in the workplace. Authors argue that emotional well-being is a crucial component of employee experience as it directly impacts job satisfaction, engagement, and retention. (Reference: "Employee experience: The Definitive Guide" by Qualtrics). In addition to this, work life balance, career development has also been identified as components of employee experience by researchers and human capital consultants.

1.4. Employee Experience Vs. Work Experience

The employee experience is the word which is often misinterpreted as work experience**.** But work

experience is different from employee experience. Work experience is measured by the number of years spent in the organisation. Employee experience is simply the kind of experience an employee has during a job in a particular organization (Kanika Soni et al, 2017).

Work experience is more of a quantitative aspect of employee's journey where employee experience is a qualitative aspect in employee's journey in the organisation. Employee experience talks about how an employee feels in an organisation. Hence, it can be said that employee experience is subjective in nature.

1.5. Generational Cohorts at the Modern Workplace

The modern workforce is a complex mix of individuals from different generational cohorts, including baby boomers, generation X, generation Y (also known as millennials) and generation Z (also known as Gen Z). Each generation brings unique perspectives, attitudes, and values to the workplace, which can affect their experiences and ultimately, their decision to stay or leave a job. As organizations seek to attract and retain top talent, it is crucial to understand the factors that drive employee retention across generational cohorts. Generation Y (also known as millennials) and generation Z are two distinct generations that make up a significant portion of the current workforce.

Understanding the unique characteristics of these two generations is crucial for organizations to create a positive employee experience and improve performance and retention in the workplace. They have grown up in a period of rapid technological change and globalization, which has shaped their views on work and personal life. As such, they tend to prioritize having a sense of purpose and autonomy in their work, and are attracted to organizations that offer flexible work arrangements and opportunities for personal and professional development.

Generation Z, born between 1997 and 2012, is known for being the first generation to grow up entirely in the digital age. They are tech-savvy and are comfortable using various forms of technology in the workplace. Given their exposure to social media and the internet, they are more likely to be influenced by the values and beliefs of their peers and online communities. This can make them more attuned to issues such as diversity and inclusion, social responsibility, and work-life integration.

According to a report by KPMG (2020), in India, generation Y (born between 1981 and 1996, also known as millennials) is the largest segment of the workforce, making up approximately 47% of the working-age population. Meanwhile, generation X (born between 1965 and 1980) makes up

approximately 23% of the workforce, and generation Z (born between 1997 and 2012) makes up approximately 27% of the workforce. While generation Y and Z may not make up the majority of the Indian workforce, they still occupy a significant proportion, with almost three-quarters of the working-age population being comprised of these two generations. Furthermore, this proportion is likely to increase in the coming years, as more members of these generations enter the workforce and older generations retire.

Understanding the work behaviors and preferences of these two generations is imperative for organizations in India, as they represent the future of the workforce. These generations have grown up in a rapidly changing world, with access to technology and information that was not available to previous generations.

As a result, they have different expectations and preferences when it comes to work, and organizations that fail to recognize and adapt to these preferences risk losing out on top talent.

Given the unique characteristics of generation Y and Z, it is important to understand how their employee experience impacts their performance and retention in the workplace.

The proposed study that aims to address this is particularly relevant in today's context, where the workforce is becoming increasingly diverse in terms of age, culture, and values. This study aims to contribute to the existing body of knowledge by examining the cross-generational differences in employee experience and their impact on employee performance and retention. By doing so, this study seeks to provide valuable insights that can help organizations develop effective strategies to enhance employee experience and improve organizational outcomes.

SECTION – II: REVIEW OF LITERATURE, RESEARCH GAPS & OBJECTIVES OF THE STUDY

2.1. Employee Experience

Harris (2007) stated that employee experience is based on customer experience management. According to McKinsey & Company, in 2017, the concept that organizations should embrace to ensure the satisfaction, engagement, and retention of their employees. Employee experience is a more holistic concept that encompasses all the interactions that an employee has with an organization, from the recruitment process to the exit interview (Kane et al., 2019). Several studies have explored the concept

of employee experience and its impact on various aspects of the employee-organization relationship. A study by Kim and colleagues (2019) found that employee experience was positively related to organizational citizenship behaviour, which refers to behaviours that go beyond one's job duties to benefit the organization as a whole.

According to the study of IBM, better EX means better, longer-lasting work when 23, 000 employees were surveyed. 96% of employees put in more discretionary effort, compared with 55% employees having negative EX.

Researchers have also shown that a positive employee experience can lead to higher levels of engagement, productivity, and retention, while a negative employee experience can lead to absenteeism, turnover, and low morale (Cox & Blake, 2019). Therefore, organizations that prioritize employee experience are more likely to attract and retain top talent, achieve higher levels of innovation and customer satisfaction, and maintain a competitive advantage in their respective industries (Dudley &McClarty, 2019).

The topic of employee experience has gained significant attention in the past decade, and there have been numerous themes of research done in this area. The employee experience is shaped by various drivers or antecedents, which refer to the factors that contribute to creating a positive work environment and enhancing employee engagement, satisfaction, and well-being.

2.2. Key Drivers of Employee Experience

The companies who invest huge amount on employee experience were placed as the best workplace for employees and have higher profitability and highest stock value (Morgan, 2017). The following review of literature explores some of the **key workplace drivers**.

Leadership and Management: Leadership and management practices are essential drivers of the employee experience. The behaviour of supervisors and managers can significantly influence employee engagement, motivation, and satisfaction (Holtz & Harold, 2019; Manuti et al., 2020). Positive leadership practices such as providing clear direction, offering support and feedback, and recognizing employee contributions can enhance the employee experience (Bailey et al., 2017; Heffernan, 2017).

Organizational Culture: The culture of an organization is another key driver of the employee experience. A positive workplace culture that values employees, promotes collaboration, and fosters

innovation can enhance employee engagement and well-being (Bailey et al., 2017; Holtz & Harold, 2019). Organizational culture is also associated with employee retention and job satisfaction (Kehoe & Wright, 2013).

Job Design: The design of an employee's job can significantly impact their experience at work. Jobs that provide opportunities for growth, development, and autonomy can enhance employee engagement and satisfaction (Hackman & Oldham, 1976; Holtz & Harold, 2019). Employees are more likely to be engaged and productive when their job responsibilities align with their skills and interests (Bailey et al., 2017).

Work-Life Balance: Work-life balance is another important driver of the employee experience. Employees who feel supported in managing their personal and professional responsibilities are more likely to be engaged and satisfied with their jobs (Manuti et al., 2020; Robertson & Cooper, 2011). Organizations can promote work-life balance by offering flexible work arrangements, promoting employee wellness, and providing resources for managing stress and workload (Manuti et al., 2020).

Recognition and Rewards: Recognition and rewards are important drivers of the employee experience. Employees who feel valued and appreciated are more likely to be engaged and satisfied with their jobs (Holtz & Harold, 2019). Organizations can enhance the employee experience by offering recognition programs, providing opportunities for advancement, and offering competitive compensation and benefits (Bailey et al., 2017; Heffernan, 2017).

Recent research has identified several modern workplace drivers that affect employee retention. One important driver is **pay and benefits**, which can influence employees' motivation to stay with their current employer (Al Mamun et al., 2021; Pfeffer, 2018). **Role fit** is another critical driver, as employees who feel that their skills and interests match the demands of their job are more likely to stay with their current employer (Carmeli&Spreitzer, 2009; Su et al., 2018). **Recognition** for one's work is also a key driver, as it can enhance employees' sense of value and belonging within their organization (Liao et al., 2021; Yang et al., 2020). Additionally, **collaboration and communication** within the workplace can promote a sense of community and support, which in turn can lead to greater employee retention (Dabbagh et al., 2019; Pal et al., 2019). These modern workplace drivers underscore the importance of creating a supportive work environment that meets employees' needs and fosters their engagement and

commitment to the organization.

2.3. Outcomes of Employee Experience

Positive employee experience has been linked to various outcomes that benefit both employees and organizations. This section will examine the **outcomes of employee experience** in terms of employee attitudes, behaviours, performance and retention.

Employee Attitudes: A positive employee experience can lead to improved employee attitudes, such as job satisfaction, engagement, and commitment to the organization. Research by PwC (2018) found that employees who have a positive EX are more likely to recommend their organization as a great place to work and feel proud to work there. A study by Glassdoor (2015) found that companies with high employee satisfaction ratings have higher financial performance compared to those with low ratings.

Employee Behaviours: EX can also impact employee behaviours, such as productivity, retention, and innovation. Research by McKinsey & Company (2019) found that organizations with highly engaged employees outperform their peers in terms of productivity, profitability, and customer satisfaction. A study by Gallup (2021) found that highly engaged teams have 17% higher productivity and 24% lower turnover rates than teams with low engagement.

Employee Performance: Finally, positive EX has been linked to improved employee performance. A study by IBM (2016) found that companies with highly engaged employees had twice the annual net income of companies with low engagement. A meta-analysis by Harter, Schmidt, and Hayes (2002) found a positive relationship between employee engagement and job performance, with engaged employees performing better on job tasks, providing better customer service, and having fewer safety incidents.

Employee experience and Employee Retention: Recent research has highlighted the important relationship between employee experience (EX) and employee retention. A positive EX can help to attract and retain talent, reduce turnover, and increase employee engagement.

Similarly, a study by Qualtrics (2020) found that employees who rate their EX positively are more likely to stay with their current employer. The study found that employees who rated their EX as excellent were 30% less likely to leave their current job than those who rated their EX as poor. Moreover, research by IBM (2021) found that organizations that invest in employee experience have a better chance of

retaining employees. The study found that companies that consistently deliver a positive EX have a voluntary turnover rate that is 2.5 times lower than companies with a poor EX. These studies suggest that a positive EX can help to reduce turnover and increase employee retention. Organizations that prioritize EX can create an environment that fosters engagement, satisfaction, and commitment, which in turn can lead to better retention rates. In summary, recent research has demonstrated the link between EX and employee retention. Organizations that invest in EX are more likely to attract and retain talent, reduce turnover, and create a positive work environment.

2.4. RESEARCH GAP

Early researchers have emphasised on work experience and its impact on job performance. Epi Ratnawati; Sukidjo; Riyanto Efendi (2020), found that there is a positive impact of employee experience on employee performance. Kanika Soni et al. (2017) examined the relationship between employee experience and job satisfaction and impact of EX on job performance. Although, the evolution of employee experience has been gradually becoming visible now, but employee engagement is still seen and used as a tool of retaining the employee. Therefore, the proposed study intends to reveal employee experience (EX) as an important and evolving tool to retain, satisfy employees and build positive employee attitude.

Additionally, several studies have highlighted the importance of the employee experience and its impact on employee performance and retention. For instance, a study by Shuck and Reio (2014) found that employees who have positive experiences are more likely to be satisfied with their jobs, committed to their organizations, and perform better. These findings underscore the need for further research on the employee experience among generation Y and Z employees and the potential implications for organizational performance.

2.5. RESEARCH QUESTIONS

1. What are the unique factors that shape the employee experience for different generations and how do these factors differ among generation Y and Z?
2. To what extent does the employee experience impact employee performance and retention among generation Y and Z employees?
3. What are the most effective strategies for enhancing the employee experience among generation Y

and Z employees, and how do these strategies vary across different organizational contexts and industries?

2.6. RESEARCH OBJECTIVES

1. To check the impact of employee experience on employee performance, turnover intentions and discretionary behavior.
2. To examine the moderating role of generation cohorts in the relationship of employee experience with employee performance, turnover intention and discretionary behavior.
3. To unveil the moderating role of industry sector differences in the relationship of employee experience with employee performance, turnover intention and discretionary behavior.
4. To provide practical recommendations for organizations seeking to retain employees of generation 'Y' and generation 'Z' based on the findings of the study.

2.7. NEED OF THE STUDY

With the rise of the millennial and Gen Z workforce, organizations face new challenges in attracting, developing, and retaining top talent. A positive employee experience has been shown to have a significant impact on employee performance and retention across generations, with studies suggesting that employees who have positive experiences are more engaged, motivated, and committed to their organization. Moreover, the needs and expectations of generation Y and Z employees are different from those of previous generations, with research indicating that these employees place a greater emphasis on work-life balance, career development, and meaningful work.

The proposed study on the impact of employee experience on employee performance and retention among generation Y and Z is crucial in today's dynamic and diverse workforce. Despite having employee engagement schemes and programs, many organizations witness high employee turnover ratio leading to overstrained company ecosystem.

Organisations try to find key drivers of employee experience which eventually decides whether the employee will stay or leave for opportunity outside. Employee experience is seen as important aspect of employee retention approach. In India, more than 60% expressed that desire to leave their current posts than other counterparts in Australia, UK, Canada and US (Mckinsey & Company, 2022).

Additionally, employee turnover and replacement costs pose challenges for an organisation and

allocation of resources, productivity and profitability gets affected by the high employee turnover. The proposed study can help to control employee turnover by suggesting how to retain employees, reduce employee turnover and engage employees.

SECTION -III: OVERVIEW OF THE PROPOSED STUDY

After conducting an extensive literature review, the researcher will now proceed to present the proposed hypotheses and conceptual framework that will be empirically tested in this study.

3.1. RESEARCH HYPOTHESES

The study of employee experience has emerged as a critical area of research in contemporary organizational behaviour due to its immense impact on organizational effectiveness and productivity. Despite the vast body of literature on the subject, significant research gaps remain. One such gap pertains to the need for cross-generational studies on employee experience and its impact on employee performance and retention. Based on extensive literature review presented in the previous section, the researcher proposes following hypotheses:

- ***H₁*** **–** There is a significant impact of employee experience on employee performance
- ***H₂*** – There is a significant impact of employee experience on turnover intentions
- ***H₃***– There is a significant impact of employee experience on discretionary behavior
- ***H₄*****–** The relationship of employee experience with employee performance, turnover intentions and discretionary behavior is moderated by generation cohorts;

To be more precise;

H_{4a}– The relationship between employee experience and employee performance is moderated by generation cohorts

H_{4b} – The relationship between employee experience and turnover intentions is moderated by generation cohorts

H_{4c} – The relationship between employee experience and discretionary behaviours is moderated by generation cohorts

- H_5– The relationship of employee experience with employee performance, turnover intentions and discretionary behavior is moderated by industry sectors;

To be more precise;

H_{5a} – The relationship between employee experience and employee performance is moderated by industry sectors

H_{5b} – The relationship between employee experience and turnover intentions is moderated by industry sectors

H_{5c} – The relationship between employee experience and discretionary behaviours is moderated by industry sectors

3.2. PROPOSED CONCEPTUAL FRAMEWORK

The proposed conceptual framework aims to provide comprehensive understanding of how Employee experience plays and important role in employee performance, turnover intentions of employee and discretionary behaviours. The framework explains the moderating role of generation cohorts and industry sector in relationship between employee experience with employee performance, turnover intentions and discretionary behaviours.

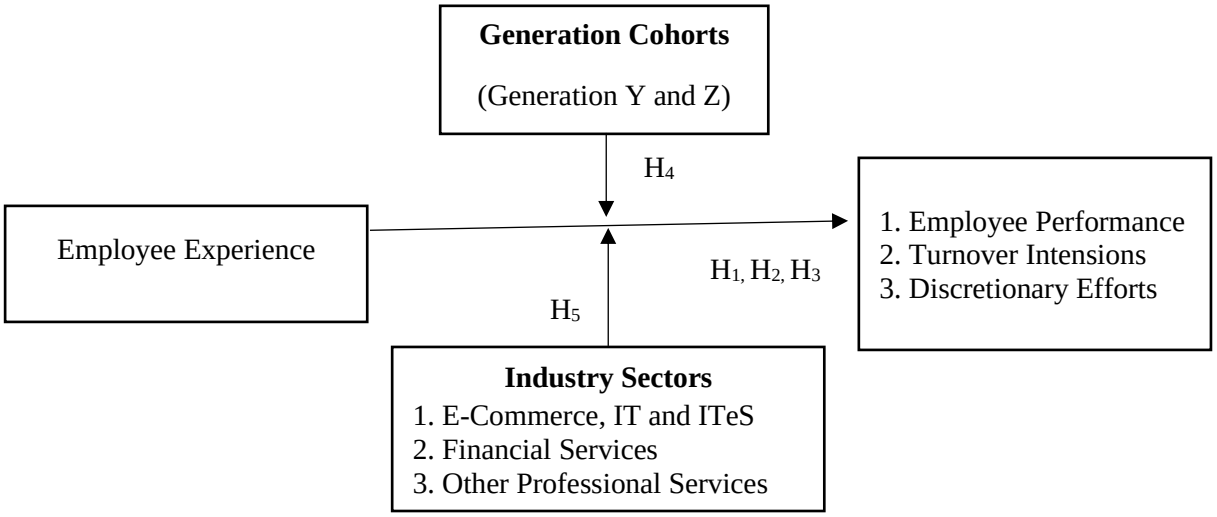

Fig 1: Conceptual Framework (Self-Constructed by author)

3.3. DEFINITION OF KEY CONSTRUCTS OF THE PROPOSED FRAMEWORK

3.3.1. Employee Experience:

"Employee experience is the sum of perceptions that employees have about their interactions with the organization in which they work, over time." (CIPD, 2017, p. 2)

"Employee experience is the outcome of the interplay between an employee's expectations, motivations and perceptions of the work environment." (Gallup, n.d.)

"Employee experience is the combination of an organisation's cultural, physical, and technological

environments that enables, empowers, and enhances employee's overall evaluation of their workplace, about the positiveness of such workplaces." (Morgan, 2017).

3.3.2. Employee Performance

"Employee Performance means employee productivity and output as a result of employee development. Employee performance will ultimately affect the organizational effectiveness." (Abdul Hameed, Aamer Waheed, 2011).

"Employee performance is defined as "the level of success of employees in carrying out their duties and responsibilities". (Rachmaliya & Effendy, 2017).

"Employee performance is defined as the extent to which employees fulfil their job duties and responsibilities, achieve expected results, and exhibit the behaviours that align with the organization's values and culture." (Riggle et al., 2021, p. 44)

3.3.3. Employee Retention

From the perspective of employees, employee retention can be defined as the degree to which an organization provides a satisfying work environment and meets the needs and expectations of its employees, resulting in employees' willingness to stay in the organization and continue to contribute to its success.

"Retention factors refer to the variables that influence whether individuals remain in a particular job or organization over a period of time." (Al-Mashari and Zairi, 2000).

"Employee retention factors are the various aspects of a job, work environment, or organization that contribute to an employee's decision to stay in their job and remain committed to the organization." (Sharma, R., and Sharma, S., 2019).

3.3.4. Discretionary Behaviour

Katz and Kahn (1978), who first introduced the important role of innovative and supportive individual discretionary behaviors in organizations also termed by researchers as extra-role behaviour (Van Dyne et al., 1995), organisational spontaneity (George and Jones, 1997), pro-social organisational behaviour (Brief and Motowidlo, 1986) and contextual performance (Motowidlo et al., 1997).

Discretionary behaviours are said to be an 'on-the-job behaviours', particularly those behaviours that are not clearly specified as conditions for employment (e.g., organizational citizenship behaviors: Organ

& Ryan, 1995; and contextual or citizenship performance: Borman, Penner, Allen, & Motowidlo, 2001).

3.3.5. Generation Cohorts

The most commonly accepted generational labels and authors who have written about them in the context of the workplace are discussed below:

***3.3.5.1. Traditionalists*:** born before 1946, also known as the Silent Generation. This term was first coined by William Strauss and Neil Howe in their book "Generations: The History of America's Future, 1584 to 2069" (1991).

3.3.5.2. Baby Boomers: born between 1946 and 1964. The term "baby boomer" was first used by Landon Jones in his book "Great Expectations: America and the Baby Boom Generation" (1980).

3.3.5.3. Generation X: born between 1965 and 1980. The term "Generation X" was first popularized by Canadian author Douglas Coupland in his novel "Generation X: Tales for an Accelerated Culture" (1991).

3.3.5.4. Millennials or Generation Y: born between 1981 and 1996. The term "millennial" was first used by authors William Strauss and Neil Howe in their book "Generations: The History of America's Future, 1584 to 2069" (1991).

3.3.5.5. Generation Z or iGen: born after 1997. The term "iGen" was coined by Jean Twenge in her book "iGen: Why Today's Super-Connected Kids Are Growing Up Less Rebellious, More Tolerant, Less Happy--and Completely Unprepared for Adulthood" (2017).

3.3.6. Industry Sector

An industry sector is a grouping of businesses that share common characteristics, products, services, or operations. In the context of Indian business, an industry sector refers to a group of companies that operate in a particular industry or business activity. These sectors are typically defined based on the National Industrial Classification (NIC) system, which categorizes businesses into sectors based on their primary activity. For the purpose of this study, the researcher has identified three major industry sectors which are reported to

Due to the pandemic, the job market in India has undergone a transformation. Employees have come to realize the significance of maintaining a work-life balance and having flexible work arrangements. As a result, the number of job seekers in India who prioritize work-life balance as a top goal has increased

from 36% to 47% over the last two years. This shift has led to a new trend known as "quiet quitting," which is particularly prevalent among generation Z and millennials.

The escalating rate of employee turnover has had a significant effect on multiple industries in India. For instance, the information technology sector is facing a record-breaking average attrition rate of 25%, while the ecommerce and hi-tech industries have attrition rates of 28.7% and 21.5%, respectively. Similarly, professional services and financial services have also witnessed high levels of attrition, with rates of 25.7% and 24.8%, respectively. Therefore, following three industry sectors have been included in the proposed study:

1. *E-Commerce, IT and ITeS:* This sector includes companies that provide online services, such as e-commerce platforms, software development and IT outsourcing services. In India, the e-commerce market has seen tremendous growth in recent years, driven by the increasing adoption of smartphones, the growth of the middle class, and the proliferation of internet connectivity. The IT and ITeS sector has also played a significant role in India's economic growth, contributing to exports and job creation. India has a strong presence in the global IT services market, with many global companies outsourcing their software development and IT services to Indian firms.
2. *Financial Services:* This sector includes companies that provide financial products and services, such as banking, insurance, and investment management. In India, the financial services industry is one of the fastest-growing sectors, driven by increasing disposable incomes, rising financial literacy, and government initiatives to promote financial inclusion. The banking sector is dominated by public sector banks, but private sector banks and foreign banks have also made significant inroads in recent years. The insurance sector has also seen significant growth, with increasing awareness of the need for insurance and the introduction of innovative products.
3. *Other Professional Services:* This sector includes a range of services provided by professionals such as lawyers, accountants, architects, and management consultants. In India, this sector has seen significant growth in recent years, driven by the increasing demand for specialized services and the growth of the services sector in general. The legal sector is dominated by large law firms, while the accounting sector is dominated by the "Big Four" accounting firms. The architecture and design sector is also growing rapidly, driven by increasing demand for urbanization and infrastructure

development.

These three sectors are all key drivers of India's economic growth and are expected to continue to grow in importance in the coming years.

SECTION -IV: RESEARCH METHODOLOGY

4.1. RESEARCH DESIGN

This researcher will use a cross-sectional quantitative research methodology. This methodology involves collecting data at a single point in time from a specific population or sample. This type of research is appropriate for the proposed research because it studies a sample of individuals or entities from a population, in order to understand the characteristics and relationships between different variables. Quantitative data will be collected through well-structured surveys.

4.2. INSTRUMENT/ TECHNIQUE FOR DATA COLLECTION

For employee experience, the researcher will use Employee Experience Index by Jacob Morgan (2017), validated on employees across different industry sectors. This index has 17 items under three sub variables- physical space, culture and technology. Necessary permission has been obtained from the author to use his index in Indian context. For turnover intentions, TIS-6 developed by Fc, Bothma and Roodt, Gerhard (2013) will be used. For other two variables- employee performance and discretionary behaviours, researcher will use self- constructed scales based on the Employee Experience Index Study (IBM 2016).

The survey will be administered electronically using online survey tools to ensure data collection efficiency and accuracy.

4.3. SAMPLING

4.3.1. Sample Composition

The study will target employees belonging to generation Y (born between 1981-1996) and generation Z (Born after 1997), who are currently employed in the selected private sector at Pan India level. The sample will include employees from three industries sectors- 1. E-commerce, IT and ITeS, 2. Financial Services, 3. Other Professional Services. These sectors have appropriately been defined in the previous section of this proposal.

It is important to note that the sample for this study will exclusively consist of private sector employees

as respondents. This study will exclusively focus on private sector employees as respondents, as public sector employees have a distinct perspective on their job experience.

Additionally, employee retention is not a significant issue in the Indian public sector, and therefore including public sector employees in this study may not provide relevant information on factors driving retention and attrition in the private sector. By focusing solely on private sector employees of selected industries, the study aims to gain a comprehensive understanding of their unique experiences, challenges of retention and attrition, and tailor recommendations and interventions to their specific needs and concerns.

4.3.1.1. Sample Selection Criteria

1. Inclusion criteria:

a. Employees of generation Y and Z

b. Employees who have spent minimum 06 months – 02 years in their current job.

c. Employees working in E-commerce, IT and ITeS, financial services and other professional services.

d. Employees working in private sector in India

2. Exclusion criteria:

a. Employees of generation X

b. Employees who have spent more than 2 years in their current job.

c. Employees working in public sector of India

4.3.2. Sample Size

Previous research has indicated that sample sizes similar to the proposed sample size of 300 employees each for generation X and Y can yield significant and valid results. For instance, Ng and Feldman (2012) explored the relationship between job satisfaction and turnover intentions among Generation X and Y employees using a sample size of 288 participants. Lee and Shin (2018) investigated the effect of transformational leadership on employee engagement among generation X and Y employees using a sample size of 322 participants. Additionally, Martin and Tulgan's (2002) study on the attitudes and values of generation X employees in the workplace used a sample size of 331 participants.

These studies highlight the appropriateness of a sample size of 300 employees for each generation, which can potentially provide reliable and meaningful findings. Based on the existing literature, the

proposed sample size for this study will be 600 respondents, with 300 employees belonging to each generation.

The researcher will also ensure that selected industry sectors are appropriately represented in total selected sample.

4.3.3. Sampling Technique

The sampling method employed in this study will be specifically non-probability sampling through the use of a purposive sampling approach. Respondents will be selected based on specific characteristics or criteria relevant to the research question and were accessible through the LinkedIn platform.

4.4. TOOLS/ TECHNIQUE FOR DATA ANALYSIS

The collected data will be analysed using quantitative data analysis techniques. Descriptive statistics, inferential statistics such as correlation analysis, regression analysis, confirmatory factor analysis, structure equation modelling (if the obtained data is suitable) including moderation analysis will be conducted to test the proposed hypotheses and examine the proposed framework.

4.5. IMPLICATIONS/ SIGNIFICANCE OF THE PROPOSED STUDY

4.5.1. Theoretical Implications

The proposed study on cross-generational perspectives on employee experience among generation Y and Z employees has important implications for the existing literature on employee experience, retention, and generational differences in the workplace.

1. The study's focus on the of employee experience and retention aligns with recent research that highlights the importance of employee experience for employee well-being and retention (Shuck & Reio, 2014).
2. Comparing the perspectives of generation Y and Z employees in this study can build on previous research that has identified generational differences in workplace attitudes and behavior (Lyons et al., 2015; Ng et al., 2010).

To conclude researcher would like to highlight that an extensive literature review presented in the second section reveals that no cross generational study on the theme of employee experience has been reported so far in the literature. Therefore, this study will provide a valuable contribution to the existing management literature.

4.5.2. Managerial Implications

The findings of this study can have important managerial implications for organizations, particularly for managers who are responsible for managing employees from different generations. By discovering the impact of employee experience on performance and retention, this study can help managers develop effective strategies to enhance the employee experience and retain valuable talent and improve the employee performance.

Managers can initiate, pause or terminate strategies incorporated in the organisation. Eventually, it will enable the organisation to filter the useful strategies to retain the employees and improve employee performance.

Therefore, this study has significant theoretical and managerial implications.

SECTION - V: PROPOSED CHAPTERIZATION

The thesis will contain the following chapters:

Chapter 1 Introduction

Chapter 2 Review of Literature

Chapter 3 Research Methodology

Chapter 4 Data Collection and Analysis

Chapter 5 Results and Conclusion

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